

## Message Text

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PAGE 01 STATE 196334  
ORIGIN EB-08

INFO OCT-01 NEA-10 ISO-00 TRSE-00 COME-00 STR-04  
AGRE-00 CEA-01 CIAE-00 DODE-00 FRB-01 H-02 INR-07  
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05  
SS-15 ITC-01 USIA-15 PRS-01 SP-02 FEAE-00 OMB-01  
/093 R

DRAFTED BY EB/OT/GCP - MARC BAAS  
APPROVED BY EB/OT/GCP - H KOPP  
NEA/IAI - J MCBRIDE  
TREASURY - R BANQUE (SUBS)  
CUSTOMS - D RAMSAY (SUBS)  
COMMERCE - T KIVLIN (SUBS)  
STR - D COOPER

-----084835 181805Z /45  
R 181523Z YUG 77  
FM SECSTATE WASHDC  
TO AMEMBASSY TEL AVIV

UNCLAS STATE 196334

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: GSP REQUEST FOR CLARIFICATION

REF: A) TEL AVIV 5832 B) TEL AVTV 5602  
C) STATE 192528

1. UNFORTUNATELY, IT IS IMPOSSIBLE FOR US CUSTOMS TO  
PROVIDE DETAILS AS TO WHY OTHERWISE ELIGIBLE PRODUCTS  
LISTED REFTEL DID NOT RECEIVE GSP BENEFITS. IN ADDITION  
TO REASONS GIVEN BY COMATT FOR WHY THESE ITEMS MIGHT NOT  
HAVE RECEIVED GSP, WE BELIEVE IT LIKELY THAT IN MANY  
CASES GSP MAY NOT HAVE BEEN SOUGHT. THIS ESPECIALLY  
LIKELY DURING FIRST FEW MONTHS OF YEAR WHEN PROGRAM  
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WAS NEW AND MANY MANUFACTURERS, EXPORTERS AND IMPORTERS  
MAY HAVE BEEN UNAWARE OF IT AND BENEFITS AVAILABLE.  
THIS POSSIBILITY STRENGTHENED BY FACT THAT (AS EMBASSY  
CAN VERIFY BY LOOKING AT GSP STATISTICS FOR ISRAEL  
PROVIDED BY DEPARTMENT) FOR ALL OF THE TSUS NUMBERS LISTED  
REFTEL WHERE GSP BENEFITS NOT RECEIVED, EXCEPT TWO -

(646.53 AND 660.25) THERE WERE IMPORTS IN SAME NUMBER THAT DID BENEFIT FROM GSP, AND IN MOST CASES AMOUNT THAT DID BENEFIT WAS SUBSTANTIALLY GREATER THAN AMOUNT THAT DID NOT. THIS MAY INDICATE THAT EXPORTERS AND IMPORTERS BECAME AWARE OF GSP AFTER SEVERAL MONTHS AND THEN BEGAN TO ASK FOR GSP TREATMENT, ALTHOUGH IT IS

IMPOSSIBLE TO VERIFY THIS. THIS EXPLANATION MAY EVEN BE VALID FOR LARGEST ITEM ON LIST, 694.40, AIRCRAFT PARTS, AS IT WOULD ONLY TAKE A FEW SHIPMENTS TO ARRIVE AT 7 MILLION DOLLARS TOTAL.

2. IN ANY EVENT, WE BELIEVE COMMATT SHOULD POINT OUT TO MINISTRY OF INDUSTRY OFFICIALS THAT ISRAELI GSP UTILIZATION RATE OF NEARLY 90 PERCENT IS AMONG THE BEST, AND SUGGEST THAT MINISTRY OF INDUSTRY MIGHT WISH TO CONTACT MANUFACTURERS AND/OR EXPORTERS FOR LARGEST ITEMS ON LIST TO SEE IF IT IS POSSIBLE TO DETERMINE WHY PORTION OF EXPORTS RECEIVED GSP, AND REMAINDER DID NOT.

3. RE PARAGRAPH 3 REF A AND PARAGRAPHS 1B OF REF B, WE ARE NOT PLANNING TO INCLUDE GSP ON THE AGENDA OF THE JOINT COMMITTEE IN OCTOBER (REF C) AND WE ARE NOT PLANNING ON DISCUSSING GSP IN THAT FORUM. HOWEVER, WE MAY WISH TO DISCUSS GSP AND ISRAELI REVERSE PREFERENCES LATER IN YEAR, PENDING THE RECEIPT OF UNCLASSIFIED

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ISRAELI TRADE STATISTICS AND WASHINGTON ANALYSIS AS TO WHETHER REVERSE PREFERENCES HAVE A SIGNIFICANT EFFECT ON US TRADE. VANCE

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NNN

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* UNCLASSIFIED

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, GENERALIZED PREFERENCES (TARIFFS), TRADE AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 18-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE196334  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** MARC BAAS  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Expiration:**  
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**Litigation History:**  
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**Message ID:** 677db350-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 TEL AVIV 5832, 77 TEL AVIV 5602  
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**Review Withdrawn Fields:** n/a  
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**Status:** <DBA CORRECTED> gwr 970911  
**Subject:** GSP REQUEST FOR CLARIFICATION  
**TAGS:** ETRD, IS, US  
**To:** TEL AVIV  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/677db350-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009